

|    |   |    |          |
|----|---|----|----------|
| 1. | Purchases water charge in effect, per 1,000 gallons, effective April 1, 2005:   | \$ | 2.36     |
| 2. | Unit rate for variable purchased water cost and/or alternate delivery (wheeling) costs, per 1,000 gallons, per Exhibit B:                   | \$ | 2.064    |
| 3. | Metered usage plus unaccounted-for water usage during the prior base period, in 1,000's of gallons, per Exhibit C (April through December): |    | 170,260  |
| 4. | Metered usage during the prior base period, in 1,000's of gallons, per Exhibit C (April through December):                                  |    | 152,629  |
| 5. | Balance of unrecovered or (overrecovered) Supply Charge costs, per Exhibit D:   | \$ | (17,857) |

**In accordance with Ill. Adm. Code 655:**

| Purchased Variable Water Charge in Effect (\$M/gal) | Estimated Purchased Water Cost and/or Alternate Delivery Variable Costs | + | Commission-ordered adjustment component for variable charge | + | Utility-determined adjustment component for variable charge | = | Recomputed Purchased Variable Water Charge (\$M/gal) |
|---|---|---|---|---|---|---|--|
|   | Metered Usage in Mgals During Prior Base Period                         |   |   |   |   |   |  |
| \$ 2.36   | \$ 351,416.64   | + | \$ -  | + | \$ (17,857.00)  | = | \$ 2.19  |
|   | 152,629   |   |   |   |   |   |  |

**ILLINOIS-AMERICAN WATER COMPANY**  
**FERNWAY SERVICE DISTRICT**  
**Change in Purchased Water Cost**  
**December, 2005**

| Description:                                 | Rate Per<br>1,000 Gallons |
|--|---------------------------|
| <b>Change in Purchased Water Charge:</b>     |                           |
| <b><u>Metered Service Rate:</u></b>          |                           |
| Metered Service Rate as of December, 2005:   | \$ 2.064                  |
| Previous Metered Service Rate:               | <u>2.065</u>              |
| <b>Total Change in Purchased Water Cost:</b> | <b>\$ <u>(0.001)</u></b>  |

**Source: Billing Invoices**

**ILLINOIS-AMERICAN WATER COMPANY**  
**FERNWAY SERVICE DISTRICT**  
 Water Usage  
 December, 2005

| Description | Metered<br>Usage<br>(1,000 of gallons) | Metered Usage<br>Plus<br>Unaccounted-for<br>Water Usage<br>(1,000 of gallons) |
|-------------|--|---|
|-------------|--|---|

For the monthly billing period ending in the month of:

|                                      |           |         |         |
|--------------------------------------|-----------|---------|---------|
| 2005                                 | January   | 14,839  | 15,912  |
| 2005                                 | February  | 14,066  | 13,989  |
| 2005                                 | March     | 14,337  | 15,515  |
| 2005                                 | April     | 13,108  | 15,306  |
| 2005                                 | May       | 14,553  | 18,045  |
| 2005                                 | June      | 14,644  | 24,091  |
| 2005                                 | July      | 21,761  | 24,341  |
| 2005                                 | August    | 22,611  | 21,184  |
| 2005                                 | September | 18,287  | 19,374  |
| 2005                                 | October   | 19,321  | 16,348  |
| 2005                                 | November  | 14,457  | 15,029  |
| 2005                                 | December  | 13,887  | 16,542  |
| Total for the 12 most recent months: |           | 195,871 | 215,676 |
| Total April through December:        |           | 152,629 | 170,260 |

**Source: Billing Reports and Purchased Water Invoices for Fernway Service Area.**

**ILLINOIS-AMERICAN WATER COMPANY**  
**FERNWAY SERVICE DISTRICT**  
Summary of Lake Water Purchases and Cost Recovery  
December, 2005

| VARIABLE COSTS<br><br>Month                          | (A)<br>Actual<br>Cost<br>of<br>Lake Water<br>Purchased | (B)<br>Cost<br>Recovery<br>via<br>Lake Water<br>Supply Charge | (A-B)<br>Monthly<br>Unrecovered<br>(Overrecovered)<br>Supply Charge<br>Cost | Cumulative<br>Unrecovered<br>(Overrecovered)<br>Supply Charge<br>Cost |
|--|--|---|---|---|
| Balance forwarded from prior year:                   |  |   |   | \$ 4,743  |
| January  | \$ 32,842  | \$ 36,450   | \$ (3,608)  | \$ 1,135  |
| February   | 28,873   | 33,312  | (4,439)   | (3,304)   |
| March  | 32,023   | 34,260  | (2,237)   | (5,541)   |
| April  | 31,592   | 31,848  | (257)   | (5,798)   |
| May  | 37,245   | 35,108  | 2,137   | (3,661)   |
| June   | 49,724   | 34,992  | 14,732  | 11,071  |
| July   | 50,240   | 51,424  | (1,184)   | 9,887   |
| August   | 43,724   | 53,671  | (9,947)   | (60)  |
| September  | 39,988   | 43,240  | (3,252)   | (3,312)   |
| October  | 33,742   | 45,701  | (11,959)  | (15,271)  |
| November   | 31,020   | 34,234  | (3,214)   | (18,486)  |
| December   | 34,143   | 33,514  | 628   | (17,857)  |
| <b>Total:</b>  | \$ 445,155   | \$ 467,756  | \$ (22,600)   | \$ (17,857)   |
| Unrecovered (Overrecovered) variable supply charges: |  |   |   | \$ (17,857)   |
| Utility-determined reconciliation component:         |  |   |   | \$ (17,857)   |

Source: Bill Data and Purchase Data reports.